



## Allied Health • Durable Medical Equipment and Medical Supplies

### May 2007 • Bulletin 380

#### Contents

*Crossover Claims*

*CMS-1500 Billing Tips*

*Medi-Cal Training Seminars*

2007 CPT-4/HCPCS Updates:  
Implementation August 1, 2007.... 1

Processing Changes for TARs ..... 2

Update: CMS-1500  
Claim Form Information ..... 5

Policy Changes for Therapeutic  
Anti-Decubitus Mattresses  
and Bed Products ..... 5

Adult Briefs Incontinence  
Supplies Additions ..... 6

Diabetic Testing  
Product Additions ..... 7

Solano County  
Added to CTP List ..... 7

### 2007 CPT-4/HCPCS Updates: Implementation August 1, 2007

The 2007 updates to the *Current Procedural Terminology – 4<sup>th</sup> Edition* (CPT-4) and Healthcare Common Procedure Coding System (HCPCS) National Level II codes will be effective for Medi-Cal for dates of service on or after August 1, 2007. The affected codes are listed below. Only those codes representing current or future Medi-Cal benefits are included. Please refer to the 2007 CPT-4 and HCPCS Level II code books for complete descriptions of these codes. Specific policy, billing information and manual replacement pages reflecting these changes will be released in a future *Medi-Cal Update*.

#### HCPCS Level II Code Additions

##### Durable Medical Equipment and Supplies

A8000, A8001, A8004, E0165, E0936, E2373 – E2377, E2381 – E2396, K0800 – K0802, K0806 – K0808, K0812 – K0816, K0820 – K0831, K0835 – K0843, K0848 – K0864, K0868 – K0871, K0877 – K0880, K0884 – K0886, K0890, K0891, K0898, T5001

##### Orthotic Procedures and Devices

A8000 – A8004, L1001, L3806, L3808, L3915

##### Prosthetic Procedures and Appliances

L5993, L5994, L6611, L6624, L6639, L6703, L6704, L6706 – L6709, L7007 – L7009

#### HCPCS Level II Codes with Description Changes

##### Durable Medical Equipment and Supplies

E0163, E0167, E0181, E0182, E0720, E0730, E0967, E2209

##### Orthotic Procedures and Devices

L0631, S1040

##### Prosthetic Procedures and Appliances

L5848, L5995, L6805, L6810, L6881, L6884, L7040, L7045

#### HCPCS Level II Code Deletions

##### Durable Medical Equipment

A4632, E0164, E0166, E0180, E0701, E0977, E0997 – E0999, E2320, K0090 – K0097, K0099

##### Orthotic Procedures and Devices

L0100, L0110, L3902, L3914

##### Prosthetic Procedures and Appliances

L6700, L6705, L6710 – L6800, L6806 – L6809, L6825 – L6880, L7010 – L7035

## Processing Changes for Treatment Authorization Requests

Beginning May 1, 2007, the California Department of Health Services (CDHS) will phase in several changes which will impact how paper *Treatment Authorization Requests* (TARs) are processed.

These changes are being implemented to minimize the key data entry of incomplete or erroneous TAR information and to reduce the volume of paper documents containing Protected Health Information (PHI), particularly Social Security Numbers (SSNs) that are sent via:

- United States Postal Service
- Courier services
- Other types of delivery services

CDHS expects to complete this phased implementation by September 2007.

### Processing Change Schedule

Processing changes to paper TARs will impact providers interacting with the Medi-Cal field offices and pharmacy sections on the following dates:

<b>May 2007</b> Sacramento Medi-Cal Field Office	<b>August 2007</b> Fresno Medi-Cal Field Office
<b>June 2007</b> Northern Pharmacy Section (Stockton) Southern Pharmacy Section (L.A.)	San Bernardino Medi-Cal Field Office San Diego Medi-Cal Field Office San Francisco Medi-Cal Field Office
<b>July 2007</b> L.A. Medi-Cal Field Office In-Home Operations South	<b>September 2007</b> TAR Administrative Remedy Section In-Home Operations North

### Incomplete TARs

CDHS Medi-Cal field offices and pharmacy sections will be unable to enter paper TARs with incomplete information into the TAR system. These paper TARs will be deferred back to the submitting provider, with a Medi-Cal field office/pharmacy section *Incomplete TAR Form* identifying the reasons for deferral and instructions about how to resubmit the paper TAR with the necessary corrections.

Providers are to:

- Make the necessary corrections/changes on the paper TAR, and
- Resubmit with a copy of the *Incomplete TAR Form* on top of the paper TAR.

Paper TARs that are returned to the submitting provider for correction will not be available for inquiry through the Provider Telecommunications Network (PTN).

*Please see Processing Changes, page 3*

**Processing Changes** (*continued*)

Any one of the reasons below will not allow the paper TAR information to be entered into the system. The reason(s) will be marked on the *Incomplete TAR Form* and sent back to the submitting provider for corrections. These reasons may consist of one or more of the following:

- The TAR form is illegible or damaged.
- The submitting provider number is missing, inactive, suspended or invalid for the category of service requested.
- The patient's Medi-Cal ID number is missing, invalid or invalid in length, and the patient's name/date of birth is missing.
- The patient is not Medi-Cal eligible.
- Information in the *Admit From* field (Box 14) on the *Long Term Care Treatment Authorization Request* (LTC TAR, form 20-1) is missing or invalid.
- The requested service information is missing, invalid or invalid in length.
- The ICD-9-CM diagnosis code, admitting ICD-9-CM diagnosis code and/or primary DX diagnosis code is missing or invalid.
- The County Medical Services Program (CMSP) pharmacy services are covered by MEDIMPACT. Please call 1-800-788-2949 for further information.
- The requested Adult Day Health Care (ADHC) service should specify the months and the number of requested days for each calendar month on separate lines of the TAR. The TAR request should not exceed six months or have more than one service line for a given calendar month. Please refer to the appropriate Part 2 manual for specific TAR preparation instructions.

**Adjudication Response**

CDHS will discontinue the practice of returning adjudicated paper TAR copies to providers based on the schedule above. Instead, providers will receive an *Adjudication Response* (AR), which will display:

- The status of requested service(s)
- The reason(s) for the decision(s), including TAR decisions resulting from an approved or modified appeal
- The adjudicator's request for additional information, if necessary

The AR will enable the provider to respond to the requested information or proceed to bill for authorized services. (See the *Adjudication Response* example at the end of this article.) Providers should keep a copy of the AR for their records and use it when responding to deferrals or when requesting an update/correction to a previously approved or modified TAR.

When requesting an update/correction, a copy of the AR must be placed on top of newly submitted documents to ensure the information can be matched with previously submitted documentation. Providers should clearly specify what change(s) are being requested.

The ARs will be mailed to the provider's address on file with CDHS' Payment Systems Division, Provider Enrollment Branch (PEB). Providers should ensure PEB has their most up-to-date mailing address on file. Instructions about changing/updating a provider address may be found on the Medi-Cal Web site ([www.medi-cal.ca.gov](http://www.medi-cal.ca.gov)). From the home page, click the "Provider Enrollment" link and then the "Provider Reminders" link at the top of the page.

*Please see **Processing Changes**, page 4*

## Processing Changes (continued)

**Attachments**

On November 15, 2006, CDHS notified providers via a flyer that attachments were no longer being returned with deferred paper TARs. Medi-Cal field offices and pharmacy sections will continue to retain and archive all attachments for reference.

Providers responding to a deferred TAR should return the AR and any new attachment(s) requested.

**SSN on TARs**

In accordance with *Medi-Cal Updates* issued in August and September 2006, providers should use the recipient's Benefits Identification Card (BIC) number on the TAR, rather than the SSN. If a TAR is returned to a provider because of inaccurate and/or incomplete information, the SSN will be removed.

If you have any questions regarding this information, please contact your local Medi-Cal field office or pharmacy section.

**National Provider Identifier (NPI) Number**

Providers should be aware that the NPI number will not be accepted on TARs until after the official NPI implementation date of November 26, 2007. For detailed information about the new NPI implementation date, providers can view the "Important NPI Time Frame Changes" article posted in the "HIPAA News" area of the Medi-Cal Web site ([www.medi-cal.ca.gov](http://www.medi-cal.ca.gov)).

TARs issued under the old provider number (legacy number) prior to November 26, 2007 can still be used for claims submitted with an NPI starting on or after November 26, 2007. Providers will not have to request an updated TAR with the NPI information.

State of California - Health and Human Services Agency  
Department of Health Services

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ARNOLD SCHWARZENEGGER, Governor

Medi-Cal Operations Division

## ADJUDICATION RESPONSE

Provider Number: HSCXXXXXX  
XXX CONTRACT HOSP #2  
3215 PROSPECT PARK DR  
RNCHO CORDOVA, CA 95670-6017

DCN (Internal Use Only): 123456789101  
Date of Action: 06/27/2006  
Regarding: Jane Doe  
TAR Control Number: 9876543210



This is to inform you that a Treatment Authorization Request has been adjudicated. If you have any questions regarding this adjudication response, please contact your local Medi-Cal Field Office. The decision(s) follow:

Svc #	Service Code	Modifier(s)	Service Description	From Date of Service	Thru Date of Service	Units	Quantity	Status	P.I.
1	123ABC	1	Service Description 1	01-01-2006	01-31-2006	12345	1000000.123	1 Approve	1
2	ABC123	2	Service Description 2	01-01-2006	01-31-2006	12345	1000000.123	2 Modify	0
<b>Reason(s):</b>		GEN: Modified, refer to comments							
<b>Comment(s):</b>		Comments from Field Office Consultant 2							
3	ABC123	3	Service Description 3	01-01-2006	01-31-2006	12345	1000000.123	3 Deny	3
<b>Reason(s):</b>		GEN: Denied, refer to comments							
<b>Comment(s):</b>		Comments from Field Office Consultant 3							
4	ABC123	4	Service Description 4	01-01-2006	01-31-2006	12345	1000000.123	4 Defer	5
<b>Reason(s):</b>		GEN: Deferred, refer to comments							
<b>Comment(s):</b>		Comments from Field Office Consultant 4							

Authorization does not guarantee payment. Payment is subject to Patient's eligibility. Please ensure that the Patient's eligibility is current before rendering service.

If you have received this document in error, please call the Telephone Service Center, 1-800-541-5555 in California, 1-916-636-1200 out-of-state (follow the prompts for eTAR), to notify the sender. Please destroy this document via shredder or confidential destruction.

**Update: CMS-1500 Claim Form Information**

The Centers for Medicare & Medicaid Services (CMS) has notified Medi-Cal that there were incorrectly formatted versions of the revised *CMS-1500* claim form being sold by print vendors, specifically the Government Printing Office (GPO). After reviewing the situation, the GPO has determined that the source files it received from the National Uniform Claim Committee's (NUCC) authorized forms designer were improperly formatted. The error resulted in the sale of both printed forms and negatives, which do not comply with the form specifications. However, not all of the new forms are incorrect.

The following will help to properly identify whether providers have a version of the form that needs to be updated. The old version of the form contains "Approved OMB-0938-0008 FORM CMS-1500 (12-90)" on the bottom of the form, typically located in the lower right corner, signifying it is the December 1990 version. The revised version contains "Approved OMB-0938-0999 FORM CMS-1500 (08-05)" on the bottom of the form, signifying it is the August 2005 version.

Checking the information at the upper right hand corner of the form is the best way to identify if that particular version is correct. On properly formatted claim forms, there will be an approximate 1/4-inch gap between the tip of the red arrow above the vertically stacked word "CARRIER" and the top edge of the paper. If the tip of the red arrow is touching or close to touching the top edge of the paper, then the form is not printed to specifications.

**New Frequently Asked Questions (FAQs) Posted**

CMS has posted new "National Provider Identifier (NPI) Frequently Asked Questions (FAQs)" on its Web site. To view these FAQs, visit the NPI area of the CMS Web site at (<http://www.cms.hhs.gov/NationalProvIdentStand>) and click "Educational Resources." Scroll down to the "Related Links Inside CMS" area and click "Frequently Asked Questions." Then to find the latest FAQs, click the arrows next to "Date Updated."

**Policy Changes for Therapeutic Anti-Decubitus Mattresses and Bed Products**

Effective for dates of service on or after July 1, 2007, policy for therapeutic anti-decubitus mattresses and bed products is updated to align with that of the Medicare program.

HCPCS codes E0371 (nonpowered advanced pressure reducing overlay for mattress, standard mattress length and width) and E0373 (nonpowered advanced pressure reducing mattress) are reclassified from Group I products to Group II products and must be billed as separate costs from Long Term Care (LTC) facilities' per diem rates.

Documentation of medical necessity for Group I, Group II and Group III products must be submitted with a *Treatment Authorization Request* (TAR) and meet the guidelines as outlined in Flowcharts A, B, C or D contained in the *Durable Medical Equipment (DME): Bill for Therapeutic Anti-Decubitus Mattresses and Bed Products* section of the Part 2 provider manual. In addition, all initial and reauthorization TARs for support surfaces must be accompanied by the appropriate flowchart(s), based upon the patient's medical condition and the specific support surface necessary to meet the patient's medical needs.

These actions are to assist providers in selecting and providing documentation for the authorization of the appropriate support surface for each individual patient.

*This information is reflected on manual replacement pages dura bil thp 1 thru 18 (Part 2).*

**Adult Briefs Incontinence Supplies Additions****First Quality Products**

Effective for dates of service on or after January 1, 2007, the following First Quality Products-manufactured adult briefs have been added to the Medi-Cal list of contracted incontinence medical supplies. The same quantity restrictions apply for the new products as for all adult briefs incontinence supplies. The manufacturer indicator for First Quality Products is “YU.”

The California Department of Health Services (CDHS) has established a Maximum Acquisition Cost (MAC) at which Medi-Cal providers may purchase these items. Beginning January 1, 2007, providers are able to purchase these additional contracted products at or below the MAC from the manufacturer or distributor, and bill the Medi-Cal program.

<u>Size</u>	<u>Description</u>	<u>Stock Number</u>	<u>UPN/UPC</u>	<u>Medi-Cal Guaranteed Acquisition and Maximum Allowable Cost</u>	<u>Billing Code</u>
Medium	IBF Full Mat Adult Brief	IBF-012	90891100255	\$0.3600	9997W YU
Medium	Per-Fit	PF-012	90891246182	\$0.3600	9997W YU
Medium	Prevail	PVB-012	90891246168	\$0.3600	9997W YU
Medium	FQP Full Mat Adult Brief	IB-012	90891246205	\$0.3600	9997W YU
Large	IBF Full Mat Adult Brief	IBF-013	90891100262	\$0.4800	9997Y YU
Large	Per-Fit	PF-013	90891246199	\$0.4800	9997Y YU
Large	Prevail	PVB-013	90891246175	\$0.4800	9997Y YU
Large	FQP Full Mat Adult Brief	IB-013	90891246212	\$0.4800	9997Y YU

**PaperPak Products, Incorporated**

Effective for dates of service on or after May 1, 2007, the following adult briefs manufactured by PaperPak Products, Incorporated have been added to the Medi-Cal list of contracted incontinence medical supplies. The manufacturer indicator for PaperPak Products, Incorporated is “PQ.”

They will be available at or below the Maximum Acquisition Cost (MAC) and are also billable using the MAC prices for dates of service on or after May 1, 2007.

<u>Size</u>	<u>Description</u>	<u>Stock Number</u>	<u>UPN/UPC</u>	<u>Medi-Cal Guaranteed Acquisition and Maximum Allowable Cost</u>	<u>Billing Code</u>
Medium	Attends Brief 8	BR0820	86679248902	\$0.3600	9997W PQ
Regular	Attends Brief 8	BR0825	86679258277	\$0.3600	9907K PQ
Large	Attends Brief 8	BR0830	86679248919	\$0.4800	9997Y PQ
X-Large	Attends Brief 8	BR0840	86679248926	\$0.4800	9907M PQ

*These updates are reflected on manual replacement pages incont lst 5, 7, 9, 11 and 14 (Part 2).*

### Diabetic Testing Product Additions

The California Department of Health Services (CDHS) added products to the list of contracted diabetic supplies for Can-Am Care, LLC and U.S. Diagnostics Inc. dba American Healthcare Inc. Effective April 1, 2007, these items must be billed by Pharmacy providers using an 11-digit billing code, known as a Universal Product Number (UPN), for the purpose of establishing rebates or other cost-saving mechanisms.

Any item not included in the list of contracted diabetic supplies will not be a benefit of the Medi-Cal program, and therefore will not be granted prior authorization or a *Treatment Authorization Request* (TAR). California Children's Services/Genetically Handicapped Persons Program (CCS/GHPP) authorization must match the exact UPN that is granted under authorization for payment.

### Additions to Medical Supplies List

Effective April 1, 2007, the following products have been added to the *Medical Supplies List* section:

<u>Description</u>	<u>Billing Code</u>	<u>Bill Quantity In Total Number of</u>
E-zject Lancets 21G (100)	38396030300	Lancet
E-zject Lancets 21G (200)	38396030400	Lancet
E-zject Lancets Thin 26G (100)	38396030100	Lancet
E-zject Lancets Thin 26G (100)	38396030200	Lancet
E-zject Lancets Super Thin 30G (100)	38396030800	Lancet
E-zject Lancets Colored 21G (100)	38396030500	Lancet
E-zject Lancets Colored 21G (200)	38396030600	Lancet
EasyGluco Test Strips (50)	08463020350	Strip
EasyGluco Test Strips (100)	08463020401	Strip
Control AST Test Strips (50)	08463320350	Strip
Control AST Test Strips (100)	08463320401	Strip

*This information is reflected on manual replacement pages mc sup lst1 16 and 22 (Part 2).*

### Solano County Added to Children's Treatment Program List

Solano County has been added to the list of contract counties eligible for payment through the Children's Treatment Program (CTP) for claims with dates of service on or after July 1, 2006.

*This information is reflected on manual replacement page children 1 (Part 2).*

**Durable Medical Equipment and Medical Supplies Bulletin 380**

Remove and replace: cal child sar 5/6 \*  
cal child ser 1/2 \*  
children 1/2  
cms sub 1/2 \*

Remove: dura bil thp 1 thru 7  
Insert: dura bil thp 1 thru 18

Remove and replace: incont lst 5 thru 14  
mc sup lst1 15/16, 21/22  
medi cr cms 3/4 \*  
medi cr ub ex 3 thru 9 \*  
tax 5 thru 8 \*

\* Pages updated due to ongoing provider manual revisions.